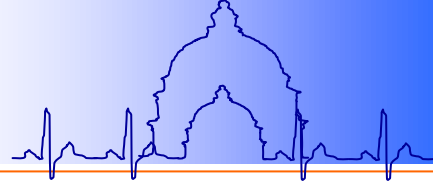




2-2-2010

The Pulse



KHPA News and Events

KHPA 2010 Annual Report Now Online

KHPA's 2010 Annual Legislative Report contains highlights and accomplishments of the past year, plus a summary of this year's policy recommendations. [Click here.](#)

SEHP Options Under Study

The Kansas Health Care Commission met Jan. 26 and began studying options to restore the State Employee Health Plan fund balance. Those balances were reduced in 2009 as part of a package of spending cuts to balance the state budget. Among the options being considered are reducing the number of plan designs available to members, increasing premiums, and increasing deductibles and co-pays. The HCC will meet again March 15 to continue reviewing options.

Senate Sustains Medicaid Reductions *KHPA Asked to Study Options for Savings*

The Kansas Health Policy Authority said this week that it will work with legislative committees to develop budget alternatives for reducing Kansas Medicaid costs.

KHPA Acting Executive Director Andy Allison was asked by several legislative committees over the past two weeks to present alternatives to the recently-imposed 10-percent reduction in provider reimbursement.

Gov. Mark Parkinson ordered the 10-percent cut in November as part of a package of cuts intended to balance the state budget in light of declining revenues. The 10 percent reduction in provider reimbursements is estimated to reduce State General Fund Spending in Medicaid by \$22.7 million this fiscal year. It is also estimated to result in the loss of an additional \$51 million in federal Medicaid matching funds.

During debate on a bill that would formally implement some of the governor's recommendations, Sen. Jeff Colyer (R-Overland Park) offered an amendment to restore the \$22.7 million while directing KHPA to develop alternatives for achieving that savings elsewhere.

Sen. Colyer's amendment failed, 16-24, but the Senate did pass an amendment by Sen. Jim Barnett (R-Emporia) directing KHPA to develop alternatives that would allow restoration of the cuts. That amendment calls on KHPA to present those alternatives to legislative committees by March 1. The legislation now moves to the House for consideration.

"We are always willing to advise and help policymakers on any issues related to Medicaid and health policy," Allison said. "We understand the state is facing historic economic challenges. It's not easy to have to identify savings of this magnitude, but a central role for KHPA is to help legislators understand what the policy options are, and what the implications are for each of those choices.

As of December 2009, more than 317,000 Kansans were enrolled in Medicaid, with another 39,522 children enrolled in the Children's Health Insurance Program (CHIP).

Save the Date

Data Consortium Meeting

When: Wed., Feb. 3, 1-4 p.m.

Where: SRS Learning Center, 2600 SW East Circle Dr., Topeka

KHPA Board Finance/Audit Committee

When: Monday, Feb. 8, 3-4:30 p.m.

Where: KHPA, Conf. Room 9-E, 900 SW Jackson, 9th Floor, Topeka

Mental Health Prescription Drug Advisory Committee

When: Wed., Feb. 10, 10 a.m.

Where: HP Enterprise Services, 6700 S. Topeka Blvd., Bldg. 283, "J" Street, Topeka

KHPA Board Meeting

When: Tues., Feb. 16, 1-4 p.m.

Where: HP Enterprise Services, 6700 S. Topeka Blvd., Bldg. 283, "J" Street, Topeka

Governor, Legislators Speak to KHPA Board

Gov. Mark Parkinson and four Kansas legislative leaders told the Kansas Health Policy Authority Board this week that they've received a lot of feedback about the recently-imposed cuts to Medicaid payments.

And while the governor said he remains hopeful that lawmakers will approve revenue increases to restore those cuts, legislators generally expressed skepticism about the chances of a major tax increase this year.

In his budget message to the legislature, Gov. Parkinson proposed raising sales and tobacco taxes in FY 2011, in order to restore some of the cuts made this year, including the 10 percent cut to Medicaid reimbursements that he ordered in November.

Without the additional revenue, budget officials say lawmakers will have to find at least \$380 million in additional cuts

Lawmakers who spoke to the Board included Senate President Steve Morris (R-Hugoton), Sen. Jim Barnett (R-Emporia), and Assistant House Minority Leader Jim Ward (D-Wichita). All of them indicated that the 10-percent Medicaid payment cut was among the top budget issues facing the legislature this year, but they were skeptical that the governor's tax package would pass in its entirety. Meanwhile, they were more optimistic that the legislature would act this year on some version of a statewide clean indoor air law.

Earlier in the week, the House Taxation Committee voted to reject Gov. Parkinson's proposal for a temporary 1-percent increase in the state sales tax.

Alternative Clean Indoor Air Bill Introduced

The House Health and Human Services Committee has introduced a Clean Indoor Air bill that could become an alternative to the bill that passed the Kansas Senate twice last session.

The alternative bill was introduced conceptually during a committee meeting at the rail on Friday, Jan. 22. As of Jan. 29, the bill had not been formally drafted or assigned a bill number. According to reports, it is modeled after a city ordinance in Wichita that prohibits smoking in most public places, but allows establishment owners to opt out by paying a nominal fee.

The original bill, S.B. 25, also resides in the Health and Human Services Committee.

KHPA Pulse is a publication by the KHPA Communications Team distributed weekly during the legislative session. If you have questions or comments, contact the Public Information Officer Peter Hancock at 785/296.5603 or peter.hancock@khpas.gov

